



USAID
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EGYPT

GLOBAL CLIMATE CHANGE

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USAID's support of improved resources management and conservation has helped Egypt achieve sustainable development and higher environmental standards.

Through the preservation of natural resources such as carbon-storing forests, USAID has assisted Egypt in addressing climate change while simultaneously protecting vulnerable ecosystems.

Background. Egypt, a large country in North Africa and strong moderating force in the Middle East, has long been an important ally of the United States. Although the two countries have worked together as partners in development for more than 25 years, collaborating to preserve Egypt's environment is a relatively new initiative in the cooperative efforts of the United States and Egypt. As Egypt's government sets new goals for its people and its future, this relationship continues to grow. Together, the United States and Egypt have undertaken several wide-ranging environmental programs designed to support continued economic and social development in Egypt and to improve the quality of life of its citizens. The United States remains committed to the continuation of its partnership with Egypt by promoting sustainable development throughout the country.

Sector-Specific Climate Change Activities. Urban air pollution is a primary environmental challenge to Egypt's economic development, to the welfare of its citizens and visitors, and to the survival of its ancient treasures. USAID is working closely with several Egyptian agencies to reduce industrial pollutants and promote energy conservation and the use of cleaner fuels.

Reducing Emissions and Developing Alternative Technologies. For several years the United States and Egypt have been working together on the \$60 million Cairo Air Improvement Project (CAIP). CAIP aims to reduce vehicular emissions and to establish long-term efforts at reducing air pollution through demonstrations and pilot tests of alternative technologies, with increased public awareness and training. One joint intervention to improve Cairo's air was the introduction of a program for vehicle emissions testing, tune-up, and certification to improve fuel efficiency and reduce exhaust emissions of gasoline motor vehicles. The construction of the first emissions testing station of its kind in Africa was completed in 1999 and now serves as a model for future stations. The compressed natural gas (CNG) fuel component of CAIP, supported by USAID, promotes further reliance on Egypt's widely available natural gas reserves. The Ministry of Finance approved both reductions of custom duties on CNG-related equipment and supply stations and budget allocations to convert government-owned vehicles to CNG. CAIP contributions have leveraged \$13.1 million of investment from the government for the provision of public buses operating on CNG, fueling station facilities, and the accompanying land acquisition. Furthermore, USAID has provided over \$10 million in program loans to public-private joint venture CNG companies.

USAID's partners in climate change activities in Egypt include*:

- Egyptian Environmental Affairs Agency (EEAA)
- Ministry of Petroleum
- Cairo Governorate
- Electricity and Energy Holding Company (EEHC)
- Egyptian Energy Service Business Association (EESBA)

* Because partners change as new activities arise, this list of partners is not comprehensive.

For more information on USAID's climate change activities in Egypt, visit USAID/Egypt's Mission Web site at:

- <http://www.usaid-eg.org/>

To assist USAID efforts, 16 private sector Energy Service Companies (ESCOs) were established and/or strengthened to perform energy audits and implement energy efficiency and fuel-switching schemes. The Ministries of Electricity and Petroleum developed national strategies and policies for wider spread of energy efficiency and natural gas.

USAID is making great policy advances under the Power Sector Support Project, in which policy reform activities are coupled with capacity-building efforts of government institutions. Thus far, these efforts have led to a reduction in carbon dioxide emissions by encouraging greater reliance on hydropower from the Aswan High Dam Power Station, greater use of natural gas in power generation, and further clean energy initiatives.

Capacity Building and Technical Assistance. In addition to capacity building and advances made under the Power Sector Support Project, USAID/Egypt is supporting the Egyptian Environmental Policy Program (EEPP), a \$170 million policy program that addresses some of Egypt's most pressing environmental problems while also promoting public-private partnerships, financial sustainability of environmental management solutions, replicability of best environmental practices, and institutional strengthening for those entities responsible for environmental management. An illustrative result of USAID assistance under EEPP is the privatization in some areas of solid waste management, which in turn minimizes illegal open burning activities and the resulting release of greenhouse gases into the atmosphere.